

# SENATE MOTION

**MR. PRESIDENT:**

**I move** that Senate Bill 380 be amended to read as follows:

- 1 Page 1, delete lines 5 through 7.
- 2 Page 1, line 8, delete "2." and insert "**1.**".
- 3 Page 1, line 14, delete "3." and insert "**2.**".
- 4 Page 1, line 15, delete ":" and insert "**is certified as a qualified**
- 5 **Indiana business by the department of commerce under section 7**
- 6 **of this chapter.**".
- 7 Page 1, delete lines 16 through 17.
- 8 Page 2, delete lines 1 through 20, begin a new paragraph and insert:
- 9 "**Sec. 3. As used in this chapter, "qualified investment capital"**
- 10 **means debt or equity capital that is provided to a qualified Indiana**
- 11 **business.**".
- 12 Page 2, line 21, delete "5." and insert "**4.**".
- 13 Page 2, line 34, delete "6." and insert "**5.**".
- 14 Page 2, line 36, delete "7." and insert "**6.**".
- 15 Page 2, line 36, delete "makes an investment of seed venture".
- 16 Page 2, line 37, delete "capital or early stage venture capital in" and
- 17 insert "**provides qualified investment capital to**".
- 18 Page 2, line 39, delete "8" and insert "**10**".
- 19 Page 2, between lines 40 and 41, begin a new paragraph and insert:
- 20 "**Sec. 7. (a) The department of commerce shall certify that a**
- 21 **business is a qualified Indiana business if the department**
- 22 **determines that the business:**
- 23 **(1) is a high growth company that:**
- 24 **(A) is entering a new product or process area;**
- 25 **(B) has a substantial number of employees in jobs:**
- 26 **(i) requiring postsecondary education or its equivalent;**
- 27 **or**
- 28 **(ii) that are in occupational codes classified as high skill**
- 29 **by the Bureau of Labor Statistics, United States**
- 30 **Department of Labor; and**
- 31 **(C) has a substantial number of employees that earn at**

1           least one hundred fifty percent (150%) of Indiana per  
2           capita personal income;

3           (2) has its headquarters in Indiana;

4           (3) is primarily focused on research and development,  
5           technology transfers, or the application of new technology, or  
6           is determined by the department of commerce to have  
7           significant potential to:

8               (A) bring substantial capital into Indiana;

9               (B) create jobs;

10              (C) diversify the business base of Indiana; or

11              (D) significantly promote the purposes of this chapter in  
12              any other way;

13           (4) has had average annual revenues of less than ten million  
14           dollars (\$10,000,000) in the two (2) years preceding the year  
15           in which the business received qualified investment capital  
16           from a taxpayer claiming a credit under this chapter;

17           (5) has:

18               (A) at least fifty percent (50%) of its employees residing in  
19               Indiana; and

20               (B) at least seventy-five percent (75%) of its assets located  
21               in Indiana; and

22           (6) is not engaged in a business involving:

23               (A) real estate;

24               (B) real estate development;

25               (C) insurance;

26               (D) professional services provided by an accountant, a  
27               lawyer, or a physician;

28               (E) retail sales, except when the primary purpose of the  
29               business is the development or support of electronic  
30               commerce using the Internet; or

31               (F) oil and gas exploration.

32           (b) A business shall apply to be certified as a qualified Indiana  
33           business on a form prescribed by the department.

34           (c) If a business is certified as a qualified Indiana business under  
35           this section, the department shall provide a copy of the certification  
36           to the investors in the qualified Indiana business for inclusion in  
37           tax filings.

38           (d) The department may impose an application fee of not more  
39           than two hundred dollars (\$200).

40           Sec. 8. (a) A certification provided under section 7 of this  
41           chapter must include notice to the investors of the maximum  
42           amount of tax credits available under this chapter for the provision  
43           of qualified investment capital to the qualified Indiana business.

44           (b) The maximum amount of tax credits available under this  
45           chapter for the provision of qualified investment capital to a  
46           particular qualified Indiana business equals the lesser of:

47               (1) the total amount of qualified investment capital provided  
48               to the qualified Indiana business in the calendar year,

multiplied by twenty percent (20%); or  
 (2) five hundred thousand dollars (\$500,000).

**Sec. 9. (a) The total amount of tax credits that may be allowed under this chapter in a particular calendar year may not exceed ten million dollars (\$10,000,000).**

**(b) Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business after December 31, 2007."**

Page 2, line 41, delete "8. The" and insert **"10. Subject to sections 8 and 13 of this chapter, the"**.

Page 2, line 42, delete "7" and insert **"6"**.

Page 3, line 2, delete "investment of seed venture capital or".

Page 3, line 3, delete "early stage venture capital in" and insert **"qualified investment capital provided to"**.

Page 3, line 4, delete "made".

Page 3, line 5, delete "9." and insert **"11."**.

Page 3, line 6, delete "7" and insert **"6"**.

Page 3, line 15, delete "10." and insert **"12."**.

Page 3, line 15, delete "8" and insert **"10"**.

Page 3, line 23, delete "11." and insert **"13. (a)"**.

Page 3, line 26, delete "of the investment of".

Page 3, line 27, delete "seed venture capital or early stage venture capital in" and insert **"that the taxpayer provided qualified investment capital to"**.

Page 3, between lines 30 and 31, begin a new paragraph and insert:

**"(b) The department shall record the time of filing of each return claiming a credit under section 6 of this chapter and shall, except as provided in subsection (c), grant the credit to the taxpayer, if the taxpayer otherwise qualifies for a tax credit under this chapter, in the chronological order in which the return is filed in the calendar year.**

- 1       **(c) If the total credits approved under this section equal the**  
2       **maximum amount allowable in a calendar year, a return claiming**  
3       **the credit filed later in that calendar year may not be approved."**

(Reference is to SB 380 as printed January 23, 2002.)

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Senator JOHNSON